



JIM McDONNELL, SHERIFF

**County of Los Angeles**  
**Sheriff's Department Headquarters**  
**4700 Ramona Boulevard**  
**Monterey Park, California 91754-2169**



April 3, 2015

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
Los Angeles, California 90012

Dear Supervisors:

**NOTIFICATION OF PAYMENT TO PALANTIR TECHNOLOGIES, INC.  
FOR MAINTENANCE AND SUPPORT SERVICES**

The purpose of this letter is to advise the Board that the Los Angeles County (County) Sheriff's Department (Department) has been working with the Chief Information Officer (CIO) and the Internal Services Department (ISD) to initiate an immediate payment of \$1,050,000 to Palantir Technologies, Inc. (Palantir) for maintenance and support services (Services) of the Palantir Business Intelligence Analysis Platform (Platform), which has been in place at the Department's Joint Regional Intelligence Center (JRIC) since 2009.

**Background**

Since its inception, the Department has served as the fiduciary for JRIC and has facilitated the purchasing of this Platform and related Services on behalf of JRIC. Each expenditure has been funded by the United States Department of Homeland Security, Urban Area Security Initiative (UASI) grant funds, which is administered by the City of Los Angeles (City).

The deadline for submitting reimbursement requests for the 2013 UASI grant funds to the City was March 31, 2015. The City has verbally agreed to extend that deadline to April 10, 2015. The Services for the Platform have been received and the County is liable for the Palantir invoice covering the period from March 1, 2014, through February 28, 2015. If the Department is unable to provide proof of payment to the City by April 10, 2015, the Department will not receive reimbursement from the UASI grant funds. It is therefore

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imperative that ISD issue the Purchase Order (PO) for \$1,050,000 in order for the Department to pay Palantir and be reimbursed by UASI grant funds.

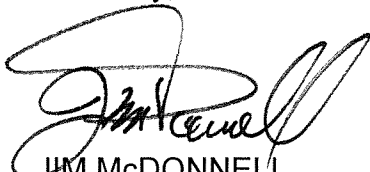
If the Services provided by Palantir are discontinued, JRIC, which is the largest of its kind in the County, will lose analytical functionality severely compromising its anti-terrorism mission. It will also hamper the 23 other agencies and 4,600 unique users who depend upon the Platform for a myriad of law enforcement functions and ongoing investigations. There is no secondary system in place, which can duplicate the Platform's processing ability. Palantir, whose Services were approved by UASI as a Sole Source Agreement, is an investigative force multiplier, which allows fewer personnel to accomplish the same tasks.

**Follow-up Actions**

The Department recognizes this is a confirming/retroactive PO, and is currently working internally to address this issue in order to avoid this from happening in the future. The Department plans to work with the Retroactive Contract Review Committee (RCRC) for disposition and approval of corrective actions. In addition, the Department will prepare a comprehensive report back to the Board and may request assistance from the County's Auditor-Controller, as directed by the RCRC.

Should you have any questions, please contact Division Director Glen Dragovich, Administrative and Training Division, at (323) 526-5191.

Sincerely,



JIM McDONNELL  
SHERIFF